Marketing of Formulation by Drug Companies

1506. SHRI RAFIQUE ALAM: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that a number of drug companies are marketing formulations without obtaining price approval after getting them manufactured from small scale units;

(b) the names of the products, its composition and price at which each is being marketed by Glaxo, Hoechst, Wockhardt, Fairdeal Corporation, Dolphin Laboratories and German Remedies alongwith name and address of each small scale unit from which each product is being got manufactured;

(c) whether his Ministry has fixed prices of other brands having same composition;

(d) if so, what are the names of the products and prices fixed for each;

(e) since when such practice is going on and by when this will be stopped; and

(f) what is the sales turnover of each such product during the last three years, yearwise and how much per year consumer is paying in excess to each company?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICANDRA SINGH): (a) to (f) Instances of large and medium scale drug units marketing their products after getting them manufactured by small scale units who are exempted from seeking price approval for category III products under Drugs Prices Control Order, 1979 have come to the notice of the Government. Such units are free to make marketing arrangements with other units under the law. This aspect will be kept in view while issuing new Drug Prices Control Order on the basis of the measures announced by the Government in December, 1986. Sales turnover of the formulations is not monitored.

Challenging the Government Fixed Prices by Drug Companies

1507. SHRI RAFIQUE ALAM: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Glaxo, Cyanamid, Hoechst, Pfizer and Merind Challenged the prices fixed by his Ministry in various Courts;

(b) if so, names of builk drugs and formulations against which petitions were filed alongwith the price fixed of each and price being charged by each company of each drug and formulation;

(c) whether his Ministry worked out the prices of each formulation based on each bulk drug of each company on the basis of Government fixed price;

(d) if so, the price worked out of each under DPCO, 1979;

(e) what is the difference on each price fixed and price charged and since when each of the company is selling at their existing prices;

(f) whether it is a fact that the Supreme Court has observed such activities as menace which needs to be curbed immediately; and

(g) if so, what steps are proposed to be taken by his Ministry?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) Yes, Sir.

(b) to (e) To the extent information is available, names of bulk drugs and formulations prices of which were challenged are given in the attached Statement (*See* below). Rest of the details